

CHILDREN'S BUREAU OF NEW ORLEANS

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
COMPLIANCE AND INTERNAL CONTROLS OVER FINANCIAL
REPORTING AND COMPLIANCE IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS AND OMB CIRCULAR A-133

Year Ended June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

3/16/11

CHILDREN'S BUREAU OF NEW ORLEANS

Year Ended June 30, 2010

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INDEPENDENT AUDITOR'S REPORT

**President/CEO and Board of Directors
Children's Bureau of New Orleans
New Orleans, Louisiana**

We have audited the accompanying statement of financial position of Children's Bureau of New Orleans (a non-profit organization) as of June 30, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Children's Bureau of New Orleans' management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2009 financial statements and, in our report dated October 21, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Children's Bureau of New Orleans as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2010, on our consideration of Children's Bureau of New Orleans' internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that

President and Board of Directors
Children's Bureau of New Orleans

testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Children's Bureau of New Orleans taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Paciera, Gautreau & Priest, LLC

October 28, 2010

PACIERA, GAUTREAU & PRIEST, LLC
CERTIFIED PUBLIC ACCOUNTANTS

CHILDREN'S BUREAU OF NEW ORLEANS
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2010
With Summarized Financial Information
at June 30, 2009

	<u>2010</u>	<u>2009</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 202,272	\$342,001
Accounts receivable, Net	168,114	141,958
Contributions receivable, Net	644,119	355,992
Prepaid expenses	28,240	24,302
Investments	31,063	23,425
Deposits	4,197	4,197
Property and equipment, Net	<u>19,589</u>	<u>27,305</u>
<i>Total Assets</i>	<u>\$1,097,594</u>	<u>\$919,180</u>
<u>LIABILITIES</u>		
Accounts payable	\$ 10,707	\$ 3,265
Accrued expense - Vacation	26,888	35,633
Profit sharing payable	<u>0</u>	<u>8,703</u>
<i>Total Liabilities</i>	<u>37,595</u>	<u>47,601</u>
<u>NET ASSETS</u>		
Unrestricted	351,662	445,304
Temporarily restricted	<u>708,337</u>	<u>426,275</u>
<i>Total Net Assets</i>	<u>1,059,999</u>	<u>871,579</u>
<i>Total Liabilities and Net Assets</i>	<u>\$1,097,594</u>	<u>\$919,180</u>

See accompanying notes to financial statements.

CHILDREN'S BUREAU OF NEW ORLEANS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2010
With Summarized Financial Information
for the Year Ended June 30, 2009

	<u>Unrestricted</u>
<u>SUPPORT, REVENUE, GAINS AND LOSSES</u>	
Contributions and private grants	\$ 39,486
Fees and grants from governmental agencies	939,914
Program service fees	15,150
Dividends and interest	288
Net realized and unrealized gain (loss) on investments	7,639
Resource development	86,476
United Way contributions allocation	0
United Way contributions designation	15,305
Other	734
Net assets released from restrictions	<u>468,192</u>
 Total Support, Revenue, Gains and Losses	 <u>1,573,184</u>
<u>EXPENSES</u>	
Program services:	
Counseling	587,957
Custody evaluations	0
Family preservation	143,673
Loss and Survival Team	<u>670,423</u>
	<u>1,402,053</u>
Supporting services:	
Management and general	184,950
Resource development	<u>79,823</u>
	<u>264,773</u>
Total Expenses	<u>1,666,826</u>
<u>CHANGE IN NET ASSETS</u>	(93,642)
Net Assets - Beginning of Year	<u>445,304</u>
Net Assets - End of Year	<u>\$ 351,662</u>

See accompanying notes to financial statements.

<u>Temporarily Restricted</u>	<u>2010 Total</u>	<u>2009 Total</u>
\$408,514	\$ 448,000	\$ 191,643
0	939,914	912,928
0	15,150	10,280
0	288	2,032
0	7,639	(7,481)
0	86,476	60,602
341,740	341,740	544,240
0	15,305	11,674
0	734	1,615
(468,192)	<u>0</u>	<u>0</u>
<u>282,062</u>	<u>1,855,246</u>	<u>1,727,533</u>
0	587,957	507,276
0	0	31,987
0	143,673	155,613
<u>0</u>	<u>670,423</u>	<u>840,503</u>
<u>0</u>	<u>1,402,053</u>	<u>1,535,379</u>
0	184,950	184,471
<u>0</u>	<u>79,823</u>	<u>90,413</u>
<u>0</u>	<u>264,773</u>	<u>274,884</u>
<u>0</u>	<u>1,666,826</u>	<u>1,810,263</u>
282,062	188,420	(82,730)
<u>426,275</u>	<u>871,579</u>	<u>954,309</u>
<u>\$708,337</u>	<u>\$1,059,999</u>	<u>\$ 871,579</u>

CHILDREN'S BUREAU OF NEW ORLEANS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2010
With Summarized Financial Information
for the Year Ended June 30, 2009

	Program Services		
	Counseling	Family Preservation	Loss and Survival Team
Salaries	\$425,361	\$104,064	\$476,405
Employees' retirement benefits and medical insurance	34,600	11,998	48,129
Payroll taxes and worker's compensation	<u>37,099</u>	<u>10,492</u>	<u>44,621</u>
Total Employee Compensation	497,060	126,554	569,155
Bank fees	0	0	0
Building and equipment maintenance	1,591	0	30
Conferences and meetings	1,347	0	1,854
Depreciation	2,874	732	3,291
Insurance	8,163	2,078	11,546
Marketing	3,130	797	3,584
Membership dues	30	0	0
Miscellaneous	0	0	3,486
Occupancy	36,621	7,599	39,594
Parking	0	14	3
Postage and messenger service	705	0	1,311
Printing and publications	360	0	2,689
Professional fees and contract service payments	0	0	7,811
Special events	0	0	0
Supplies	2,371	131	9,513
Telephone	5,711	1,033	5,920
Travel and other transportation	<u>27,994</u>	<u>4,735</u>	<u>10,636</u>
Total Expenses	<u>\$587,957</u>	<u>\$143,673</u>	<u>\$670,423</u>

See accompanying notes to financial statements.

<u>Total Program Services</u>	<u>Supporting Services</u>			<u>Total Program and Supporting Services Expenses</u>	
	<u>Management and General</u>	<u>Resource Development</u>	<u>Total Supporting Services</u>	<u>2010</u>	<u>2009</u>
\$1,005,830	\$ 69,531	\$40,409	\$109,940	\$1,115,770	\$1,229,331
94,727	15,071	3,468	18,539	113,266	120,646
<u>92,212</u>	<u>9,745</u>	<u>3,722</u>	<u>13,467</u>	<u>105,679</u>	<u>112,806</u>
1,192,769	94,347	47,599	141,946	1,334,715	1,462,783
0	1,610	0	1,610	1,610	0
1,621	7,657	0	7,657	9,278	10,420
3,201	1,884	0	1,884	5,085	7,073
6,897	545	275	820	7,717	10,026
21,787	1,550	782	2,332	24,119	20,475
7,511	593	300	893	8,404	3,261
30	585	0	585	615	1,013
3,486	6,561	0	6,561	10,047	8,301
83,814	5,665	2,858	8,523	92,337	89,789
17	5,730	0	5,730	5,747	5,120
2,016	211	0	211	2,227	2,045
3,049	279	0	279	3,328	5,348
7,811	49,705	0	49,705	57,516	85,337
0	0	28,009	28,009	28,009	18,300
12,015	2,015	0	2,015	14,030	18,694
12,664	4,737	0	4,737	17,401	19,673
<u>43,365</u>	<u>1,276</u>	<u>0</u>	<u>1,276</u>	<u>44,641</u>	<u>42,605</u>
<u>\$1,402,053</u>	<u>\$184,950</u>	<u>\$79,823</u>	<u>\$264,773</u>	<u>\$1,666,826</u>	<u>\$1,810,263</u>

CHILDREN'S BUREAU OF NEW ORLEANS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2010
With Summarized Financial Information
for the Year Ended June 30, 2009

	<u>2010</u>	<u>2009</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$188,420	\$(82,730)
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation	7,717	10,026
Net realized and unrealized (gain) loss on investments	(7,639)	7,481
(Increase) decrease in assets:		
Accounts receivable	(11,902)	25,815
Contributions receivable	(302,381)	(29,430)
Prepaid expenses and deposits	(3,938)	7,414
Increase (decrease) in liabilities:		
Accounts payable	7,442	448
Accrued expenses	(8,745)	5,971
Profit sharing payable	<u>(8,703)</u>	<u>(26,747)</u>
Net Cash (Used for) Operating Activities	<u>(139,729)</u>	<u>(81,752)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchase of property and equipment	<u>0</u>	<u>(1,886)</u>
Net Cash (Used for) Investing Activities	<u>0</u>	<u>(1,886)</u>
Net (Decrease) in Cash and Cash Equivalents	(139,729)	(83,638)
Cash and Cash Equivalents -		
Beginning of Year	<u>342,001</u>	<u>425,639</u>
End of Year	<u>\$202,272</u>	<u>\$342,001</u>
<u>Supplemental Schedule of Cash Flow Information</u>		
Cash paid during the year for:		
Interest	\$ <u>0</u>	\$ <u>0</u>
Income taxes	\$ <u>0</u>	\$ <u>0</u>

See accompanying notes to financial statements.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

A. Description of Organization

Children's Bureau of New Orleans ("Children's Bureau") is a private, non-profit United Way Agency that offers a variety of services to children and families. Its principal programs include: (1) counseling individuals and families and specialized counseling through; (2) the family preservation and (3) the Project L.A.S.T. (Loss and Survival Team) programs.

B. Summary of Significant Accounting Policies

Basis of Accounting

Children's Bureau prepares its financial statements on the accrual basis of accounting and, accordingly, reflects all significant receivables, payables, and other liabilities.

Basis of Presentation

Children's Bureau reports information regarding its financial position and activities according to three classes of net assets, depending on the presence and type of donor-imposed restrictions.

Unrestricted Net Assets - Those net assets whose use is not restricted by donors.

Temporarily Restricted Net Assets - Those net assets whose use by Children's Bureau has been limited by donors (a) to later periods of time or after specified dates, or (b) to specific purposes.

Permanently Restricted Net Assets - Those net assets that must be maintained in perpetuity due to donor-imposed restrictions that will neither expire with the passage of time nor be removed by meeting certain requirements.

Children's Bureau has no permanently restricted assets, liabilities or activities.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with Children's Bureau's financial statements for the year ended June 30, 2009, from which the summarized information was derived.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

Summary of Significant Accounting Policies (Cont'd)

Estimates

Children's Bureau uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For the purposes of the *Statement of Cash Flows*, Children's Bureau considers all unrestricted highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents.

Investments

Children's Bureau carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the *Statement of Financial Position*. Unrealized gains and losses are included in the change in net assets in the accompanying *Statement of Activities*.

Property and Equipment

Children's Bureau capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment is carried at cost. Donated property and equipment is carried at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the useful life of the related assets. The useful lives of Children's Bureau's assets range between five and ten years.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Donor support in the form of cash and other assets is reported as restricted support if it is received with donor stipulations that limit the use of the donated assets. When a restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

Summary of Significant Accounting Policies (Cont'd)

Contributions (Cont'd)

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, Children's Bureau reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. Children's Bureau reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated services are recorded that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. During the year, \$15,000 of donated professional fees were received and recorded in management and general supporting services expenses.

Fair Value Measurements

Generally accepted accounting principles require the use of a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels: quoted market prices in active markets for identical assets and liabilities (Level 1); inputs other than quoted market prices that are observable for the asset or liability, either directly or indirectly (Level 2); and unobservable inputs from the asset or liability (Level 3).

Income Taxes

The agency is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code.

Subsequent Events

Subsequent events have been evaluated through October 28, 2010, which is the date the financial statements were available to be issued.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

C. Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense, and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. There was no bad debt expense for the year ended June 30, 2010.

The accounts receivable at June 30, 2010 are categorized by source as follows:

Fees and grants from Governmental agencies	\$168,114
Less: Allowance for doubtful accounts	<u>0</u>
Total	<u>\$168,114</u>

D. Contributions Receivable

Contributions receivable at June 30, 2010 consists of \$341,740 from the United Way and \$302,379 from the Institute of Mental Hygiene.

Contributions receivable at June 30, 2010, are unconditional and due \$448,670 in 2011 and \$195,449 over the following two years. If materially different from the promised amount, contributions receivable to be received after 2010 are discounted to their net present value using U.S. Treasury rates. Management has determined that the recorded promised amounts do not materially differ from the discounted present value. Accordingly, there is no discount or unamortized discount on contributions receivable at June 30, 2010. Uncollectible contributions receivable are expected to be insignificant.

E. Property and Equipment

Property and equipment consists of the following:

Furniture and fixtures	\$ 30,859
Equipment	88,029
Leasehold improvements	<u>7,443</u>
	126,331
Less: Accumulated depreciation	<u>106,742</u>
Total Property and Equipment	<u>\$ 19,589</u>

Depreciation expense for the fiscal year ended June 30, 2010 was \$7,717.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

F. Investments and Fair Value Measurements

Investments are stated at fair value, which is based on quoted market prices for those investments. The investments at June 30, 2010 consist of mutual funds.

The following tables present assets that are measured at fair value on a recurring basis:

	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Losses</u>
Mutual funds	<u>\$45,749</u>	<u>\$31,063</u>	<u>\$14,686</u>

Fair Value Measurements Using:

		<u>Quoted Prices In Active Market for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
	<u>Total</u>			
Available for sale securities	<u>\$31,063</u>	<u>\$31,063</u>	<u>\$ 0</u>	<u>\$ 0</u>

		<u>Quoted Prices In Active Market for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
	<u>Total</u>			
Unrealized gains included in change in Net Assets	<u>\$7,639</u>	<u>\$7,639</u>	<u>\$ 0</u>	<u>\$ 0</u>

G. Unrestricted Net Assets

Unrestricted net assets consists of the following:

Carrying value of property and equipment after accumulated depreciation	<u>\$ 19,589</u>
Net assets available for general activities	<u>332,073</u>
	<u>\$351,662</u>

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

H. Temporarily Restricted Net Assets

Temporarily restricted net assets totaling \$708,337 are for program services that will occur subsequent to June 30, 2010 under the Child and Family Counseling program and Project LAST (Loss and Survival Team).

The following is the temporarily restricted net asset balance by source:

United Way	\$341,740
Institute of Mental Hygiene	314,618
German Protestant Orphan Asylum Foundation	5,973
Greater New Orleans Foundation (America's N.O. Fund)	<u>46,006</u>
	<u>\$708,337</u>

For the year ended June 30, 2010, net assets in the amount of \$468,192 were released from donor restrictions by incurring program expenses and providing services satisfying the purpose restrictions specified by donors as follows:

Child and Family Counseling Program	\$ 75,012
Project LAST (Loss and Survival Team)	<u>393,180</u>
	<u>\$468,192</u>

I. Concentrations

Children's Bureau maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2010, Children's Bureau's uninsured cash balances were \$-0-.

Children's Bureau receives a substantial portion of its support and revenue from four major sources. A major source is defined as a source from whom support and revenue exceeded 10% of total support and revenue for the year. The major sources for Children's Bureau for the year ended June 30, 2010 were:

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

Concentrations (Cont'd)

<u>Source</u>	<u>Support and Revenue</u>	<u>Percentage of Total Support, Revenue, Gains and Losses</u>	<u>Receivable balance at June 30, 2010</u>	<u>Percentage of Total Assets at June 30, 2010</u>
United Way of Greater New Orleans Area	\$ 357,045	19.2%	\$341,740	31.1%
Institute of Mental Hygiene	328,123	17.7	302,379	27.5
Tulane Department of Psychiatry and Neurology	427,500	23.0	72,815	6.6
Louisiana Commission on Law Enforcement	<u>234,606</u>	<u>12.6</u>	<u>59,323</u>	<u>5.4</u>
Total	<u>\$1,347,274</u>	<u>72.5%</u>	<u>\$776,257</u>	<u>70.6%</u>

J. Simple IRA Plan

Children's Bureau has a Simple IRA plan covering all employees over 21 years old having at least one year of service and exceeding 1,000 hours of service. Contributions to the plan are at the discretion of the Board of Directors. The Board approved a contribution for eligible employees at 3% of their salary. The recorded expense was \$19,116 for the year ended June 30, 2010.

K. Commitments

On June 1, 2006, Children's Bureau entered into a 5-year operating lease for building space. At June 30, 2010, this lease, as amended, calls for monthly rents as follows:

<u>Year</u>	<u>Monthly Rent</u>
6/1/2009 - 5/31/2010	\$7,652
6/1/2010 - 5/31/2011	\$7,843

In addition, this lease contains an escalation clause whereby Children's Bureau shall pay to the Lessor its proportionate share of the increase of any operational cost over and above the base period operating costs as established in the lease agreement.

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO FINANCIAL STATEMENTS
(Continued)
JUNE 30, 2010

Commitments (Cont'd)

Future minimum commitments under non-cancelable operating leases having initial or remaining terms in excess of one year as of June 30, 2010 for each of the next five years and in the aggregate are:

June 30,	
2011	\$86,273
2012	0
2013	0
2014	0
2015	<u>0</u>
	<u>\$86,273</u>

Rental expense under all operating leases for fiscal year ended June 30, 2010 was \$95,547.

SUPPLEMENTARY INFORMATION

CHILDREN'S BUREAU OF NEW ORLEANS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

Federal Grantor

Pass-through Grantor

Additional Pass-through Grantor

Federal CFDA Program Title

Children's Bureau Program Title

CFDA or
Other
Number

Department of Justice

Passed through Louisiana Commission of Law Enforcement

Passed through City of New Orleans

Crime Victim Assistance (16.575),

Services for Trafficking Victims

(16.320) and Recovery Act - State

Victim Assistance Formula Grant

Program (16.801)

Domestic Violence Counseling

16.320

Victim Assistance Program

16.575

16.801

Passed through Jefferson Parish

Crime Victim Assistance (16.575)

Child Survivors of Violent Crime

16.575

Total Department of Justice

Department of Health and Human Services

Passed through the Louisiana Department of Health

and Hospitals Office of Public Health

Maternal and Child Health Services

Block Grant (93.994)

Project LAST

93.994

Passed through the State of Louisiana Metropolitan
Human Services District

Community Services Block Grant (93.569)

Family Preservation

93.569

Passed through The Administrators of the Contractor
Educational Fund d/b/a Department of Psychiatry and
Neurology

Child Care and Development Block Grant (93.575)

and Child Care Mandatory and Matching Funds of

the Child Care and Development Fund (93.596)

Research Assistance

93.575

93.596

Mental Health Consultants

93.575

93.596

Environmental Rating Scale (ERS) Assessors

93.575

93.596

Total Department of Health and Human Services

Total Federal Expenditures

Grant <u>I.D. Number</u>	Total Awards <u>Expended</u>
C07-8-003	
C07-9-003	\$ 58,235
C08-9-003	
C09-9-005	
C82-8-007	153,809
C08-7-026	
C09-7-010	<u>22,562</u>
	<u>234,606</u>
CFMS #660413	
CFMS #673595	60,155
CFMS #674823	
CFMS #674706	150,000
N/A	88,429
N/A	190,798
N/A	<u>148,273</u>
	<u>637,655</u>
	<u>\$872,261</u>

CHILDREN'S BUREAU OF NEW ORLEANS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2010

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Children's Bureau of New Orleans, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**President/CEO and Board of Directors
Children's Bureau of New Orleans
New Orleans, Louisiana**

We have audited the financial statements of Children's Bureau of New Orleans, a non-profit organization, as of and for the year ended June 30, 2010, and have issued our report thereon dated October 28, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Children's Bureau's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Children's Bureau's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Children's Bureau's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the President/CEO, Board of Directors, management, and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

Paciera Gautreau & Priest, LLC

October 28, 2010

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

**President/CEO and Board of Directors
Children's Bureau of New Orleans
New Orleans, Louisiana**

Compliance

We have audited the compliance of Children's Bureau of New Orleans (a non-profit organization) with the types of compliance requirements described in OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of Children's Bureau's major federal programs for the year ended June 30, 2010. Children's Bureau's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Children's Bureau's management. Our responsibility is to express an opinion on Children's Bureau's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Children's Bureau's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Children's Bureau's compliance with those requirements.

In our opinion, Children's Bureau of New Orleans complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Internal Control Over Compliance

The management of Children's Bureau of New Orleans is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Children's Bureau's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Children's Bureau's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the President/CEO, Board of Directors, management, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Patricia Gautreau & Priest, LLC

October 28, 2010

PACIERA, GAUTREAU & PRIEST, LLC
CERTIFIED PUBLIC ACCOUNTANTS

CHILDREN'S BUREAU OF NEW ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2010

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted?

☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

☐ Yes ☒ No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

93.575

Department of Health and Human Services, Child Care and Development Block Grant

93.596

Child Care Mandatory and Matching Funds of the Child Care and Development Fund

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?

☐ Yes ☒ No

CHILDREN'S BUREAU OF NEW ORLEANS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
YEAR ENDED JUNE 30, 2010

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

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INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

President/CEO and Board of Directors
Children's Bureau of New Orleans
New Orleans, Louisiana

Our report on our audit of the basic financial statements of Children's Bureau of New Orleans for June 30, 2010 appears on pages 1 and 2. That audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The *Schedule of Revenue and Expenses United Way Budget Format - Unaudited* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Paciera, Gautreau & Priest LLC

October 28, 2010

CHILDREN'S BUREAU OF NEW ORLEANS
SCHEDULE OF REVENUE AND EXPENSES
UNITED WAY BUDGET FORMAT - UNAUDITED
YEAR ENDED JUNE 30, 2010

	<u>Agency Total</u>
<u>REVENUE</u>	
4201 Client-generated self-support	\$ 101,626
5000 Government grants and contracts	939,914
4800 Other foundations or national grants	424,478
6700 Other revenue	<u>32,183</u>
<i>Total Self-Generated Revenue</i>	1,498,201
4702 United Way designations	14,225
4703 CFC designations	1,080
4704 Other United Way grants	<u>0</u>
<i>Total Revenue</i>	1,513,506
4701 United Way GNO request	<u>341,740</u>
<i>Grand Total Revenue</i>	<u>1,855,246</u>
<u>EXPENSES</u>	
7000 Salaries	1,115,770
7100 Benefits	121,095
7200 Taxes	105,679
8400 Occupancy expenses	92,337
8700 Travel and transportation expenses	49,726
8100 Office supplies	14,030
8600 Printing	3,328
8900 Direct assistance to individuals	0
9400 Other	<u>164,861</u>
<i>Grand Total Expenses</i>	<u>1,666,826</u>
Net Difference	<u>\$ 188,420</u>
<u>EXPENSE ANALYSIS</u>	
Total direct program expenses	
Percent of total program expenses	
Distribution of management and general expenses	
Grand total program expenses	
Projected unduplicated people served	
Cost per person	

<u>Administration</u> <u>Fund-Raising</u>	<u>Total</u> <u>Program</u> <u>Services</u>	<u>Program Services</u>		<u>Loss and</u> <u>Survival</u> <u>Team</u>
		<u>Counseling</u>	<u>Family</u> <u>Preservation</u>	
\$ 86,476	\$ 15,150	\$ 15,150	\$ 0	\$ 0
0	939,914	485,735	150,000	304,179
11,355	413,123	0	0	413,123
<u>26,792</u>	<u>5,391</u>	<u>0</u>	<u>0</u>	<u>5,391</u>
124,623	1,373,578	500,885	150,000	722,693
14,225	0	0	0	0
1,080	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
139,928	1,373,578	500,885	150,000	722,693
<u>0</u>	<u>341,740</u>	<u>75,012</u>	<u>0</u>	<u>266,728</u>
<u>139,928</u>	<u>1,715,318</u>	<u>575,897</u>	<u>150,000</u>	<u>989,421</u>
109,940	1,005,830	425,361	104,064	476,405
26,368	94,727	34,603	11,998	48,126
13,467	92,212	37,099	10,492	44,621
8,523	83,814	36,621	7,599	39,594
3,160	46,566	29,341	4,735	12,490
2,015	12,015	2,371	131	9,513
279	3,049	360	0	2,689
0	0	0	0	0
<u>101,021</u>	<u>63,840</u>	<u>22,204</u>	<u>4,654</u>	<u>36,982</u>
<u>264,773</u>	<u>1,402,053</u>	<u>587,960</u>	<u>143,673</u>	<u>670,420</u>
<u>\$(124,845)</u>	<u>\$ 313,265</u>	<u>\$(12,063)</u>	<u>\$ 6,327</u>	<u>\$319,001</u>
		<u>\$587,960</u>	<u>\$143,673</u>	<u>\$670,420</u>
		<u>41.94%</u>	<u>10.25%</u>	<u>47.81%</u>
		<u>\$111,034</u>	<u>\$27,132</u>	<u>\$126,607</u>
		<u>\$698,994</u>	<u>\$170,805</u>	<u>\$797,027</u>
		<u>2.652</u>	<u>147</u>	<u>1.044</u>
		<u>\$264</u>	<u>\$1,162</u>	<u>\$763</u>